

MESSAGE
OF
HIS EXCELLENCY, Z. B. VANCE,
TO THE
General Assembly of North Carolina
Gentlemen of the Senate,
and House of Commons:

Two years ago I issued my first message to the General Assembly of North Carolina and the stirring scenes of war, fondly trusting that I might greet the next convocation of the people's representatives rejoicing in grateful prospect of peace and independence. That hope, like most of the short-sighted desires of man, God has not seen proper to cause us to realize. After two years of fierce and consuming war, waged with all our energies, and attended with all its inseparable calamities, social, political and physical, we meet to-day, gentlemen, but to continue those arduous labors which bore so heavily upon your predecessors and myself. Whatever may be the result, I can but hope that our co-operation may be sincere and tempered with as much forbearance. I proceed then at once to give you a statement of the condition of our affairs, and to suggest such remedies for whatever may be wrong, as my observation and experience may have enabled me to recommend.

With sincere gratitude to the Giver of all good, I announce that the crops of the past season were very fair, and in some localities excellent. Notwithstanding partial failures of the corn crop here and there, it is estimated that there is an ample supply of the staff of life to prevent not only starvation, but even any actual suffering, if it can be placed within the reach of the poor.

Since the adjournment of your predecessors, the enemy have encroached more upon our territory, except by the re-capture of the town of Plymouth, and the consequent evacuation of Washington; events greatly to be deplored. The western border is, however, subject to constant raids and the situation of the inhabitants is distressing in the extreme. Bands of lawless men, many of them our own citizens, acting or pretending to act, under commissions from the enemy, swarm in the mountain frontier, murdering, burning and destroying. Total regardless of the laws of civilized warfare, they have inaugurated a system of cruelty, at which humanity shudders. I have written to General Breckinridge and urged him to take such steps as may be in his power to stop such proceedings, but I do not yet know what may be the result. Nor is the interior of the State entirely free from the disorders naturally to be expected from a state of continued war. Deserter representing almost every State in the Confederacy, infest the swamps and mountains of many counties, stealing, plundering, and in many instances murdering the inhabitants. In some places they muster in such force, as to almost amount to a suspension of the civil authority, aided and protected, as they are, by their relatives and friends. All of my efforts to abate the nuisance by offers of pardon having proved fruitless, I see no remedy for the evil, but to outlaw them and drive them from the State by the strong hand. If my control over the Militia for this purpose were unrestrained, I am confident I could easily rid the community of this pest. I also recommend that the law against harboring, aiding, and abetting desertion be amended so as to facilitate the making of the proof required to convict, and that it be made the duty of all civil, as well as military officers, to assist in their arrest under such penalties as will enforce obedience. Too much importance cannot well be attached to this subject, since it has become not only of great moment to the well being of the army, but also to the security of society and the execution of the law.

I feel quite ashamed also to add, that a number of the Home Guard, in certain interior counties, holding both civil and military offices, activated either by treason or cowardice, or perhaps both, have recently deserted and fled to the enemy. I earnestly recommend that you take such steps for the punishment of such a crime by condemnation or otherwise, as may deter others from such cowardly and degrading treason. There should be no more trifling in this matter. Those who seek the aid of our enemies should share the fate of enemies. The blood of our dead heroes, as well as the living who carry their lives in their hands every day, demands that the punishment awarded by all civilized communities to treason, should be meted out to traitors. If there is to be no punishment for this kind of treason, loyal men are entitled to know it. Whenever we quietly suffer treason to attain a greater immunity from dangers and hardships than patriotism, we may expect the cause to perish.

I regret to say that the blockade running operations of the State are pretty well suspended. The regulations imposed by the Confederate Government, in defiance as I think of the act of Congress to which I have heretofore adverted, have operated so injuriously as to compel me in a measure to withdraw our vessels from the trade. After losses by detention, the surrender of cargo, space &c., of not less than 200,000 dollars in gold, I regret also to announce the loss of the Steamer *Advance* during the month of September. This noble vessel, the pride of the State, and benefactor of our soldiers and people, was captured by the enemy after she had successfully made her way through the blockading squadron in consequence of the seizure of her foreign coal for the use of the cruiser *Tallahasse*, compelling her to put to sea with North Carolina coal. This being unsuited to her furnaces and machinery, rendered her incapable of making more than half of her usual speed, and left behind her a dense column of black smoke, by which she was easily followed and captured. So obviously is her loss attributable to this unwarranted seizure of her coal, that I trust you will memorialize Congress for compensation. The unwise policy of making our only remaining seaport a resort for our cruisers, cannot be strongly condemned. It has tripped the stringency of the blockade, has already caused the loss of many valuable steamers, and will ultimately provoke the utmost efforts of the enemy to capture Wilmington. It is no exaggeration to say, that the *Advance* alone in solid benefits has been worth more to our government than all the cruisers we have ever put about. Why it should be the policy of our government to compel the State to quit the importation of supplies for the common benefit, and then pursue a course with our armed vessels so well calculated to crush all importations whatsoever is to me inexplicably strange. These cruisers sail forth with the coal seized from steamers engaged in bringing us supplies of vital importance, thus ensuring their capture, destroy a few insignificant smacks which only serve to irritate the enemy, and then they steam back into Wilmington to seize more coal, bringing down upon the inlets a new swarm of the enemy's gunboats.

Where our supply of shoes is to come from this winter I do not know. I have an abundant supply at the Islands, but have now no

means of getting them in. I trust you will again instruct our representatives in Congress to ask for a repeal of these regulations. This done, our remaining steamers could soon bring in the many valuable supplies we have bought abroad. The act of Congress authorizing the President to impose regulations upon commerce expressly provides, that nothing contained shall be so construed as to prohibit the Confederate States or any of them from exporting any of said articles on their accounts." What policy so urgently requiring the State to be forced by executive construction out of the benefit of this proviso, influences our government, I have not been able to learn. The construction is that if a State owns the vessel out and out, the restrictions shall not be imposed, but if she owns a part or merely charters the entire vessel for the voyage, then she must surrender half her cargo space to the government, and give the bond to return, &c. The allegation that private ships should not be allowed to escape re-tractions by selling a part interest to the State is only specious. My application to the late Secretary of the Treasury, disclosing the actual interest of the State in the Collie line of steamers, and asking only, to have that interest exempted, was promptly refused. It seems to me, therefore, in the absence of any solid reason for the action of the government, that wisdom and true policy demand the repeal of the laws authorizing the impositions of these regulations, and that every possible indulgence should be held out to the States to exchange their great staples for supplies for the common benefit.

Fortunately, of clothing and blankets we still have an abundance. A full exhibit of our operations in the Quartermaster's Department, including this subject, will be found in the report of Adjutant General Gratiot, which goes herewith, and which I commend to your consideration. From this it will be seen that not only have the army and the people been supplied with indispensable articles without loss, but with actual profit to the State, notwithstanding the fears of some to the contrary. It has not been our aim to make money, but to supply the necessities of our people and army for simply cost and charges, which has been done. In regard to insurrections which have been indulged in against this enterprise, I can only say that I have heretofore and do now challenge the strictest investigation. Much has, perhaps, been done that ought not, and many losses have been sustained which no living man could prevent in so reckless and dangerous a trade, and many impositions have been practised upon us that were unavoidable on account of our unrecognized and defenceless condition abroad. But a fair investigation, I think, will satisfy even the man who is opposed to furnishing a soldier a pair of shoes and a blanket unless the State were to make money by the transaction, that all these benefits have been conferred without loss and even with a handsome profit.

It has seemed a little strange that there should be found among us any to object to this enterprise, even should it have occasioned the loss of money. It is certainly a narrow minded view of the subject to regard it only as a matter of dollars and cents. The saving of life and health, and the cheerfulness of spirit imparted to our soldiers, and the comfort added to our people by the introduction of indispensable art not obtainable in the Confederacy, I regard as invaluable. No money estimate can measure these benefits. A debt abroad, it must also be remembered, is quite a different thing from a debt created at home. Both are to be redeemed in gold at the face value of our bonds, but for the one we receive gold value, and the other Confederate value, so to speak. Take one of our State bonds for \$1,000, issued here, for example, and one of our cotton warrants sold abroad for the same sum. For the first we receive seventy-four dollars only, specie value, according to the calculation of the Treasurer, whilst for the last we receive one thousand dollars of specie value. The last bond nobody grudges to redeem. Again, had we been condemned to rely upon our State for clothing, blankets and shoes, the same quantity of very inferior articles could have been obtained, if at all, only by the seizure of almost every pound of wool and leather in the State, greatly enhancing the price and the public distress. It would appear, therefore, to every candid mind, not only indispensable to import these articles, but also as nominal in every sense of the word—the simplest way after all to look at it would be to consider what has been imported, ask if it was indispensably necessary, and if so, could it have been obtained at home, and if so, at what price?

You will perceive the great difficulty of rendering a simplified statement of the account, owing to a part being a specie and part a Confederate currency transaction. This, with the constant fluctuations in the value of money and exchange has rendered such a statement almost impossible. It is believed, however, that the accompanying statement of Major John Denever, marked A, presents as fair and simple an exposition as can be given. By this it will be seen that including ships, cotton, and exchange, we have a balance in our favor in specie of \$126,957.30, and on the currency account a balance of \$4,852.60.

The following amounts have been expended for the benefit of the State, for parts of which special appropriations would have otherwise been made, and which this department has the right to account for as profits, viz:

Clothing issued to State Troops, \$550,000.00
Paid into the Treasury, 302,102.92
Ordnance and Ordnance stores, 488,570.45
Clothing issued Surgeon General's Department, 25,000.00
State Bonds, (sale of Advance) 460,000.00
Medicines furnished Surgeon General, 170,993.00
Supplies furnished Deaf and Dumb Asylum, 20,550.00
Stationery furnished Secretary of State, 28,681.20

Total \$2,146,197.57

There is also in the hands of and due to Major D. W. of the Clothing Department, the sum of \$2,672,990.00 which if so ordered can be made available to the Treasury for the current fiscal year. My intention was to buy cotton, tobacco, &c., for exportation, so as to make the ships cargo inward buy the cargo outward without any connection with the Treasury, but perhaps it would be better to divert it to this purpose to aid in avoiding an increase of the public debt, and depend upon the proceeds of the supplies on hand to furnish the means for exportation. This sum added to the above will when paid into the Treasury extinguish the original appropriation of \$2,324,000, leaving a balance of \$2,495,187, which with the articles on hand estimated at prices paid by Confederate Quartermaster General, which are far below the market price, will I conceive constitute the net profits realized.

It is proper to add that I have reason for believing the estimate for funds abroad to be below the truth, and that there are large

quantities of shoes, cards, cloth and blankets, iron, bacon, &c., bought and paid for yet abroad which do not come into this calculation.

Under authority conferred by the last Legislature, I have re-appointed our former agent, Mr. John White, who has gone to Europe with instructions to wind up our business there and forward as soon as possible, such statements as will enable us to make a final settlement with the public auditor. Until this is done we cannot show positively how the accounts stand, and these statements are furnished merely for your information.

For a statement of the condition of our finances and the indebtedness of the State, I refer you to the report of Mr. Worth, our very efficient Public Treasurer. Being well adapted by talents and experience to the conduct of financial affairs, I am generally content to abide by all his suggestions in that regard. I am sorry, however, that I cannot yield the same assent to his advice as to military affairs, and the method of conducting the war.

I can see great propriety in the retention by the State of a small military force in time of war, and very little in transferring absolutely all her physical power to other hands. The time has already come when, to say the least of it, the assertion of a right as pertaining to sovereignty is worth much more if backed by some show of physical power to enforce it. Neither can I regard it as in any wise anomalous that the State should employ her militia in trying to arrest the numerous bands of deserters who infest the country, robbing, and murdering the citizens and in some instances compelling a strong force to be under arms to protect the settings of the courts. The anomaly, if any there be in the case, might certainly be found in the government permitting these outlaws to set the civil authorities at defiance, pillage and murder at will, until loyal citizens flee for life, and not undertaking to prevent it, because such prevention would increase the State taxes!

As a matter of course it is expected that the Confederate government will ultimately assume all military outlays necessarily incurred by the States for that defence of themselves which it is unable to render. But even if it should not, I submit we must be protected nevertheless; and the objection that in protecting ourselves we are also assisting to execute a law of Congress, will hardly hold good. Doubtless it would be a good thing, if people could carry on a war and preserve internal quiet without any expenditure of money at all. I say *doubtless* because to my knowledge it has never been tried. But having before our eyes the very strongest evidence of the constant necessity of these troops, I can see no way but to incur the debt and do our utmost to protect the country and execute the laws.

Doubtless an arrangement might be made with the Confederate government to assume the payment of State forces now, especially of our regulars and the Home Guard on duty at the front, as both are under Confederate officers and doing the service of Confederate troops.

I however, concur in the Treasurer's re-

commendation that the taxes will have to be considerably increased for the next fiscal year. In addition to the slight increase in the military appropriations and some small sums hereafter mentioned for the securing of a proper supply of salt, I hope it will be necessary to enlarge the existing appropriations only in regard to the families of our indigent soldiers.

It is admitted to be our imperative duty to provide for these persons, and the system now pursued by the committee in providing each for its own soldiers families, I conceive to be unjust to themselves.—

A poor country, possessing few slaves, but a large white population, would be taxed with the support of three or four times the number of persons that a wealthy country, with a small white population, and double the ability to pay, would have to care for. I regard the support of these families as much a public tax as that of the soldier himself, and that the true principle is to levy it upon the State at large. It is sufficient, that in times like these, the counties have to support their own poor, not the families of soldiers. I therefore recommend an appropriation of two millions in currency, and the imposition of a tax in kind, say one-twentieth bushel of corn, wheat and peas, gallon of syrup, &c., so arranged and systematized as you may find to be necessary to meet the expense of the army, and if it was indispensably necessary, ask if it could have been obtained at home, and if so, at what price?

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The time has already come when, to say the least of it, the assertion of a right as pertaining to sovereignty is worth much more if backed by some show of physical power to enforce it.

Neither can I regard it as in any wise anomalous that the State should employ her militia in trying to arrest the numerous bands of deserters who infest the country, robbing, and murdering the citizens and in some instances compelling a strong force to be under arms to protect the settings of the courts.

The anomaly, if any there be in the case, might certainly be found in the government permitting these outlaws to set the civil authorities at defiance, pillage and murder at will, until loyal citizens flee for life, and not undertaking to prevent it, because such prevention would increase the State taxes!

As a matter of course it is expected that the Confederate government will ultimately assume all military outlays necessarily incurred by the States for that defence of themselves which it is unable to render.

But even if it should not, I submit we must be protected nevertheless; and the objection that in protecting ourselves we are also assisting to execute a law of Congress, will hardly hold good.

Doubtless it would be a good thing, if people could carry on a war and preserve internal quiet without any expenditure of money at all.

I say *doubtless* because to my knowledge it has never been tried.

But having before our eyes the very strongest evidence of the constant necessity of these troops, I can see no way but to incur the debt and do our utmost to protect the country and execute the laws.

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